

10-010.E Child Care Payments

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General Background

The State of California develops the Regional Market Rate (RMR). The RMR is a result of a survey completed by child care providers.

The RMRs are used by the California Department of Social Services and the Department of Education to determine the maximum payment

rates. RMRs are determined by the type of provider, age groups of the children, how a provider charges (hourly, weekly or monthly), full-time or part-time rates, and categories of care.

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The RMR represents the maximum that each child care program can pay for child care. If a provider charges less than the RMR ceiling rate, payment is for the rate that is being charged. However, should the actual cost of child care exceed the RMR ceiling rates, the parent is responsible for paying the difference in the cost (referred to as “co-payment”).

See [Special Notice 15-09](#) for San Diego County RMR ceilings, effective 10/1/2015.

**Maximum
Payment Rate**

The maximum payment rate for child care is set by the State at the rate where 85% of providers charge less, and 15% charge more for the same type of care for the same age child in a given region. Reimbursement ceilings for types of care are found on the [Department of Education website](#).

**Rate
Categories**

The following payment guidelines will be used when determining the provider reimbursement:

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Rate Type	Description
Hourly	<ul style="list-style-type: none">Hourly rates shall be used when hours of care are less than 30 hours per week and less than six hours on any day; orAn unscheduled but documented need of less than six hours per occurrence, such as the parent's need to work overtime, that exceeds the certified need for child care; orThe portion of the certified need for child care exceeds 52.5 hours per week and the hours are not during the provider's normal operating hours.
Daily	<ul style="list-style-type: none">Daily rates shall be used when hours of care are six hour or more per day; orAn unscheduled but documented need of six or more hours per occurrence, such as the parent's need to work overtime, that exceeds the certified need for child care.

Part-Time Weekly	Part-time weekly rates shall be used when hours of care are less than 30 hours per week.
Full-Time Weekly	Full-time weekly rates shall be used when hours of care are 30 hours or more per week.
Part-Time Monthly	<ul style="list-style-type: none"> • Part-time monthly rates shall be used when hours of care are less than 30 hours per week and that need occurs in every week of the month; or • Child care averages less than 30 hours per week when averaged over the month and care occurs every week of the month.
Full-Time Monthly	<ul style="list-style-type: none"> • Full-time monthly rates shall be used when hours of care are 30 hours or more per week and that need occurs every week of the month; or • Child care averages 30 hours or more per week when averaged over the month and care occurs every week of the month.

Reimbursement of Rate Categories

Child Care Staff shall establish a rate category by using the age of the child, the certified need for child care, and the facility type. When establishing a rate category for a child, select the appropriate rate category based on the need for child care, how the provider labels their rates, and whether the provider can document what a private-pay family pays for the same services.

Example: Child needs child care from 3:00 p.m. to 4:00p.m. week days. The parent has selected an after-school program. Based on the rate categories listed above, the provider could be approved an hourly rate or a part-time weekly rate. The provider has submitted documentation that private-pay families pay a flat rate of \$48.00 per week regardless of the number of hours attended. Child Care Staff would approve the \$48.00 rate as the part-time weekly rate.

Using the same situation above, if the provider is unable to verify that a private-pay family pays the \$48.00 rate regardless of hours, Child Care Staff shall approve an hourly rate. Child Care Staff shall use the RMR hourly rate not to exceed the provider's PT or FT weekly rate.

Payment Limits

Payment for child care services shall not exceed the fee charged to other members of the public receiving the same service.

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The County is not bound by the RMR ceiling when there are no more

than two child care providers of the type needed by the client in the county.

Payment Requirements

Child Care Payments are:

- Made by the contractor directly to the child care provider on behalf of the client on a monthly basis after the child care service has been rendered.
 - Not made by the contractor directly to the client.
 - Not made in advance by the contractor, for services not yet provided.
 - Made according to the provider's actual charges as requested on the Attendance Sheet submitted and as indicated on the Parent/Provider Fee Agreement, up to the maximum payment allowable by the State, for full-time or part-time rates.
 - Made for child care needed to participate in employment or a contractor-approved activity.
 - Limited to the same rates the provider charges non-subsidized families.
-

Co-Payment

A co-payment is the amount the client is responsible to pay, if she/he chooses a child care provider who charges a fee higher than the maximum payment rate allowed or a rate that we are unable to pay as the provider is unable to provide documentation that a private-pay family pays this rate. The co-payment is different from the "Family Fee".

The co-payment is an agreement between the parent and the provider. No co-payments will be required or enforced by the contractor.

Family Fees

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Some families are required to pay a portion of their child care costs. This portion is called the family fee. Family fees, if any, are based on the fee schedule established by the State and shall be paid by the parent directly to the child care provider.

The following additional policy applies to Family Fees:

- Notice of Action must be sent to the parent with the amount of Family Fee to be assessed
- The provider must certify the receipt of Family Fee on the Attendance Sheet

- The child care payment cannot be made until fee is paid to and documented on Attendance Sheet by provider
- The case may discontinue if Family Fee is not paid.
- Parent must provide a reasonable plan for delinquent fees payments to provider. Services will continue if fees are paid when due
- If fees are not paid, family is ineligible until all delinquent fees are paid.
- The Family Fee is determined by the income limits set by the California Department of Education.
- The amount of the fee is determined by the family's income and size and may change based on family circumstances.
- The fee schedule is found in the California Administrative Code, Title 5, § 18108.

As of March 1, 2009:

- The State Median Income and the Family Fee requirement no longer applies to families receiving CalWORKs cash aid.
- Cases in where the children continue to receive a CalWORKs grant such as Safety Net and Sanctioned families, a Family Fee will not be assessed.

Exemption from Family Fees

The following groups are exempt from family fees:

- Children receiving Child Welfare Services: The Family Fee, at the request of Child Welfare Services (CWS), may be waived. Any parent, whose child or children are receiving CWS, may be exempt from the family fee for a maximum of 12 months. The CWS Social Worker must authorize the exemption.
- Children at Risk: The Family Fee may also be waived for children at risk of abuse, neglect, or exploitation, as determined by a legally qualified professional from a legal, medical, or social service agency, or emergency shelter, for a period of up to three months.
- Cumulative Exemption Period: The cumulative time period for the two fee exemptions listed above for families shall not exceed 12 months.

Registration Fee

The County will pay registration fees charged by licensed child care providers, as long as these fees are the same as those charged private-pay families. The registration fee must be established in the

provider's fee agreement or contract, at the time of enrollment. A registration fee shall be paid a maximum of once per year per licensed provider. The registration fee can only be paid when a provider's rate does not exceed the Regional Market Rate (RMR). A registration fee may be allocated between the months of authorized care if it cannot be paid in full.

The registration fee must be requested on the Attendance Sheet for the month the registration fee is due. If the provider rates are above the RMR, the parent shall be responsible for the registration fee.

Hours of Care Payment can be approved for child care services on behalf of the parent during the following times:

- Participation hours, when a parent is participating in a county approved activity;
 - Work hours, when the parent is working;
 - Commute hours, when the parent is commuting to and from the provider to the approved activity;
 - Ill child, when a child is ill and requires child care from a different provider;
 - Services provided during excused absences of the child or the client. These include, but are not limited to, illness or quarantine of the child or client, court ordered visitations, family emergencies, or court appearances. This may also include payments to provider who has a policy that child care is on a fixed schedule whether the child attends or not.
 - CWS activities, when approved by a CWS social worker or a legally qualified professional that the child is at risk of abuse or neglect; or
 - Other required activities, when care is necessary for other required activities, approved by the Employment Case Manager (ECM).
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Exceptions to Hours of Care

The County will not pay for child care during:

- The time the child is attending school, or could be attending a public school. School-age children must be enrolled in a public or private school. A child who is not enrolled is considered truant.
 - "Independent Study" is a recognized mode of education. The child is enrolled in a public/private school and has instructional minutes.

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- “Home Schooling” is not a recognized mode of education unless the parent has a teaching credential.
- Documentation of school enrollment is required when a parent requests child care during normal school hours.
- The time the child is receiving care in other subsidized child care programs except for when the child is ill and requires care from a different provider.

Rates for Kindergarten

Child care is not authorized for time a child is enrolled in kindergarten, regardless if the kindergarten is a public or private school.

A center will be authorized at the 2-5 year-old rate category if the 5 year-old child is attending a center’s preschool program before/and/or after kindergarten. A center will be authorized at the 6+ year-old rate category if the 5 year-old is attending the center’s school age program before and/or after kindergarten.

Family Day Care providers and license-exempt providers will be authorized at the 2-5 year-old rate for a kindergarten age child up until the child turns 6. Once the child turns 6, the 6+ rate will be used.

Multiple Providers

Only one provider per child can be reimbursed unless:

- More than one provider is necessary to meet the certified need for child care; and
- Neither provider’s hours of operation cover the hours of need. License-exempt providers must have documentation when unable to provide all hours of care; or
- One provider can meet all hours of need, but the parent has also chosen a licensed center to provide the child with school readiness experiences. This is limited to preschool age children only (2-5 year olds).

Hours of Care Categories

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Stage 1 Child Care program administers three categories of hours of care. The Standard Care hours, the Evening/Weekend care hours, and the Special Need care hours. These hours determine the maximum rate of pay based on the RMR. The RMR allows different rates of pay based on the hours of care.

Standard Hours

The Standard hours of care are defined as Monday through Friday, 6:00am to 6:00pm.

**Evening/
Weekend
Hours**

The Evening and Weekend hours of care are defined as care provided Monday through Friday before 6:00 a.m. and after 6:00 p.m. or any hours on Saturday and Sunday.

**Adjustment
For Evening
And/Or
Weekends**

An adjustment to the provider's rate can be made if care is provided during Evening and/or Weekend hours if the provider is authorized a weekly or monthly rate and can verify that a private-pay family is charged additional fees for evening and/or weekend hours.

The adjustment rate is the lesser of:

- The rate the private-pay family is charged; or
- The provider's maximum payment rate is increased by 12.5% (1.125) when at least 10% but less than 50% of child care hours occur during evenings and weekends outside of the providers normal hours of operation; or
- The provider's maximum payment rate is increased by 25% (1.25) when 50% or more of the child care hours occur during evenings and weekends outside of the provider's normal hours of operation.

Example: Parent works a varied schedule, Sunday through Saturday. For the month of February, the parent worked 7:00 a.m. to 4:00 p.m., Tuesday through Saturday, children attended provider's program from 6:30 a.m. to 4:30 p.m. Total hours of care are 50 per week. A total of 10 hours were provided on the weekend. This is 20% of the total hours of care. The provider is requesting \$100.00 for Saturday care in additional to her full-time weekly rate of \$150.00. The provider's rate would be increased by 12.5%, for a payment of \$168.75 per week, if the provider verified a private-pay family also pays a higher fee for evenings/weekends.

**Exceptional
Needs Hours**

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The Exceptional Needs Hours of care are defined as care provided to a child who is mentally or physically incapable of self-care, as verified by a physician or a licensed or certified psychologist, and requires separate accommodations in order to have basic child care services.

According to the Americans with Disabilities Act, child care facilities cannot charge special rates for children for whom reasonable accommodations would permit full integration of the child into their program.

An adjustment may be made when a provider requests a higher rate for an exceptional needs child and the provider can verify an ongoing additional expense.

The provider must verify that the child needs ongoing accommodations and the accommodations have an on-going financial impact to the

provider's program.

The following documentation is required for children with Exceptional Needs:

- Individualized Education Program (IEP) for children age 3 or older,
- Individualized Family Service Plan (IFSP) for children from birth to 36 months,
- Documentation that child needs on-going accommodations,
- Documentation of an on-going financial impact to the provider, or
- Forms 24-707 HHSA Exceptional Needs, 24-701 HHSA Justification of Exceptional Needs, and 24-707A HHSA Statement of Exceptional Needs.

Example of ongoing accommodations and ongoing financial impact:

- The provider claims that enrolling the exceptional needs child into their program requires the provider to decrease enrollment. This could be verified by contacting Resource & Referral to see if the provider removed their name and the provider submitting a list of families turned away.

The provider claims that an additional helper was hired to assist with caring for the exceptional needs child. This could be verified by asking the provider to verify the hire date of the helper, which should be the same time the child was accepted. Documentation could include a copy of a W-9 that the helper completed for the provider and verification from Community Care Licensing on when the helper was reported and the date the background/Trustline was completed.

Adjustment Factor

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A provider who verifies an ongoing financial impact can be approved an exceptional needs adjustment factor. The adjustment factor is:

- 1.2% when the child has exceptional needs; or
- 1.5% when the child is severely disabled.

The calculation for children with exceptional needs is described in CCR Title 5, Chapter 19, Subchapter 2.5, Article 1, Section 18075.2.

Verification requirements for special needs can be found in [Processing Guide 10-010.B1 Child Care Eligibility - Verifications](#)

Attendance Sheet Requirements

The Attendance Sheet is the form used to report the hours of care provided and to request payment. The Attendance Sheet is a legal document and must:

- Have the time in and time out of the child completed on a daily basis; form should not be pre-filled.
- Have a parent/parent designee signature for each time in and time out completed on a daily basis. Provider's initials are acceptable when child enters or leaves the provider for school.
- Be submitted promptly on a monthly basis within 30 days after last day of child care was provided.
- Be an agency-supplied Attendance Sheet. However, substitutes of the Attendance Sheet will be accepted in the following situations:
 - If the family starts care prior to provider receiving agency sheets as parents are to be signing in and out on a daily basis, or
 - If the License-Exempt provider is waiting for Trustline approval so they can document daily the exact time and signatures until they are approved and receive agency sheets
- Include the month and year of service.
- Include a specific reason for any absence.
- Include the number of hours of attendance, either for each day or for the whole month.
- Be complete and signed in the bottom portion by both the provider and the parent on a monthly basis, under penalty of perjury.
- Cannot be signed in the bottom portion until all child care services for the month have been provided.
- Not include white out.

**Payment for
Incomplete
Attendance
Sheets**

If an Attendance Sheet contains three or fewer errors, it can be paid immediately.

- If there are more than 3 errors:
 - Pay the days that are correct
 - Do not yet pay the days that are in error
 - Request a self-declaration of what occurred that caused the error on the other week(s).

- If a provider's signature is missing from the bottom of the Attendance Sheet, payment cannot be paid for any portion of the Attendance Sheet.
 - All actions must be documented in CalWIN.
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**Parental
Signature**

Each child must have his/her own Attendance Sheet(s) for the month. The provider is responsible for ensuring that each parent/parent designee signs the child(ren) in and out on each child's Attendance Sheet.

If a child attends child care for more hours than the previously approved hours, the parent must write the reason in the explanation column. The parent must notify the ECM immediately about the increase in hours to update their WTW plan.

The payment of a Family Fee is paid directly to the provider. The provider must report the payment of the Family Fee on the Attendance Sheet.

**10-Day
Payment
Deadline**

Payments for authorized care are to be made within 10 calendar days of the receipt of the completed, correct and authorized Attendance Sheet.

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- Attendance Sheet must be date stamped the date that the attendance sheet is received.
 - If an attendance sheet is partially correct the payable portions of the Attendance Sheet will be processed and paid within the 10-day deadline based on what is approved.
 - Contractor will conduct a monthly random review of attendance sheets to ensure 10-day payment deadline is met, according to the County's written procedures.
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**Parent/
Caretaker
Responsibilities**

The parent/caretaker is responsible for providing the following:

- The child(ren)'s identifying information. This includes the name, age, date of birth, ethnic origin and gender of each child requiring child care services.
- The school name, school address, and school hours of each child, if applicable.
- The hours of care needed for each child.
- Information on the provider chosen to care for the child. This includes the name, address, telephone number, and relationship to the child (if applicable).
- Information needed to determine eligibility. This includes the names of all adults living in the home that are related to the children.

Retroactive Payments	All CalWORKs and former CalWORKs clients are to be aware of their potential liability for child care payments and child care providers are to be paid promptly for services to eligible families.
Retroactive Payment Limits	License Exempt child care providers who are required to be TrustLine registered shall be entitled to receive retroactive payment for up to 120 calendar days from the date child care services were requested and services provided if the provider subsequently becomes TrustLine registered.
Providers Who Do Not Clear in Time	To ensure this requirement does not disrupt recipients' ability to participate in the welfare-to-work program, the contractor may need to assist participants in finding alternative child care if/when their chosen provider does not clear within the retroactive timeframe.
Paid to Providers	Retroactive payments are paid directly to the provider if eligible.
Payment Limit Application Top	Each time client chooses a new child care provider, the retroactive payment limit shall be applied based on the date the client notified the county or contracted agency that they changed providers. An informing notice is not required each time client changes providers. Licensed, Trustline-Exempt Provider, or Existing Trustline-Registered Providers payments for child care services shall not be made for services provided more than 30 calendar days prior to the client's request for child care if the client's case file contains a copy of an informing notice signed by the client within the last year or a notation that the client refused to sign and/or return the informing notice within the last year.
Payment Limit Exemption	The limit on retroactive payment shall not apply to retroactive payment claims submitted by the client prior to the date they first signed or refused to sign/return an informing notice.
Other Reimbursable Fees Top	Time that child care services are provided by an eligible alternate provider when the child is ill and the parent has to obtain care from an eligible alternate provider. Payment to an alternate provider when the child is ill shall be limited to a maximum of ten days per fiscal year. Contractors may reimburse providers as an alternate provider in excess of ten days per year based on the illness of the child if the parent provides physician verification <u>CCR Title 5., Chapter 19. Subchapter 2.5 Article 1. Section 18076.1</u>

**Cal-Learn
Monthly
Attendance
Validation**

Separate School Attendance documentation is not required for the processing of Child Care Attendance Sheets (AS) for the Cal-Learn program beginning with the effective month of April 2013.

CL Child Care AS will be processed following the same procedure as regular WTW AS. Cal-Learn Case Manager (CLCM) will monitor CL teen participation as appropriate and will notify CL Child Care worker via 27-128 if there are any changes, following the same process as regular WTW notification of Child Care related changes. Refer to Processing Guide 10-010.A3 Form 27-128.

**Employed
Cal-Learn
Participant**

Cal-Learn participants who are working shall receive child care supportive services.

**Cal-Learn
Program
Transition to
WTW
Program**

When a Cal-Learn (CL) participant is deregistered/closed due to graduation or aging out from the CL Program, the CL Child Care worker will follow the instructions in CalWIN Child Care How To #842 Child Care Transition from Cal-Learn to the WTW Program.

This will allow a seamless transition for child care supportive service payments for individuals transitioning into WTW who are participating in approved activities.
